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TO Section 52 Field Sales Force

DATE: April 13, 1995

FROM: Gary Foster / Trade Marketing

SUBJECT: Basic Mega Meet Comp Program - May through July 1995

Please be advised that the Mega Meet Comp program will be in effect from May 1st through July 31st and will include all Basic packings. Details of the program are outlined below.

OBJECTIVE

The objective of this program is to have Basic meet the price of GPC where GPC is being supported with manufacturer's coupons or buy downs to lower its effective selling price to the consumer in Mega volume accounts.

PROGRAM DESCRIPTION

OFFER:

If GPC products are being bought down with manufacturer's coupons or buy downs to lower their effective selling price to the consumer, you are authorized to reduce the price on Basic to meet the price on GPC.

Basic: A Meet Comp payment for a minimum of 200 cartons of product to meet the GPC discounted price only in select accounts where Basic is at a price disadvantage.

POTENTIAL PARTICIPATING STORES:

A new Section Store list has been placed on the "Section 52 File Server" in the "Basic Meet Comp 5/95" folder. Only accounts designated on your Section list may participate in this program. The volume requirements remain the same as the previous program:

- 800-999 total industry cpw independents ONLY
- 1,000+ total industry cpw chain (individual store) and independents
- All Wholesale Clubs are excluded

BUDGETS:

Budgets to fund the Meet Comp payment (see Attachment A) have been established for the Section. The budget was based on the potential number of accounts that could participate in this program, their average weekly carton volume, reported price disadvantage, brand share and Section spending history. Please be advised that your total budget reflects program implementation for May through July.

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MEET COMP IN-STORE REQUIREMENTS:

The Basic Mega outlet Meet Comp program will require a retailer to prominently display and provide highly visible price call-outs for a minimum of 200 cartons for Basic. You are authorized to offer this program more than once to a given retailer. You can continue to meet comp until Basic is no longer price disadvantaged in a given outlet, until the Section Meet Comp payment budget is exhausted, or July 31st 1995, whichever occurs first.

DISPLAY / POS SUPPORT:

If you do not have sufficient quantities of carton displays, banners, posters or call-outs, you may order the following items from KDC via MIDAS (POS #'s) or from *PMExpress* via the IVR (Kit #'s):

<u>Basic Item</u>	<u>POS # / Kit #</u>
150 Carton Fixture	POS # 66566
Poster (in Temp POS kit)	Kit # 76711
Banner (2' X 6')	Kit # 76715
Banner (3' X 9')	Kit # 77025
Starbursts "Mftr Sponsored Price Reduction" (PF=150)	Kit # 77023

PAYMENT:

Payments to retail should be invoiced every two weeks throughout the program after retail sales performance is verified. You may pay to replenish inventory on the required product display on an ongoing basis. The per carton Meet Comp payment cannot exceed \$3 without prior Section Director approval. If approval is granted to exceed the \$3 threshold, the additional expenditure will have to be funded within the established Section budgets. **Final payments should be made no later than August 20, 1995.**

- Use promotion code 028A exclusively in MEGA stores to invoice all May through July **Basic** Meet Comp payments.

In order to accurately track Meet Comp expenditures, it is critical when invoicing this program to record the number of cartons and dollar amount per carton in the "Quantity" and "Rate Factor" fields respectively on the invoicing systems for each participating retail account.

TRACKING / DOCUMENTATION:

For documentation purposes, it is mandatory that you complete the attached Basic Meet Comp Verification form (Attachment B) each time you decide to Meet Competition on Basic. List the designated competitive brand (GPC) that Basic's price is matching and the "Meet Comp" price. An account signature is required for each Meet Comp payment. These forms should be kept on file at the Section Office. Be prepared to verify the volume of GPC product being bought down in these outlets.

If you have any questions about this program, please contact your SSD, SOM or TMD.

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